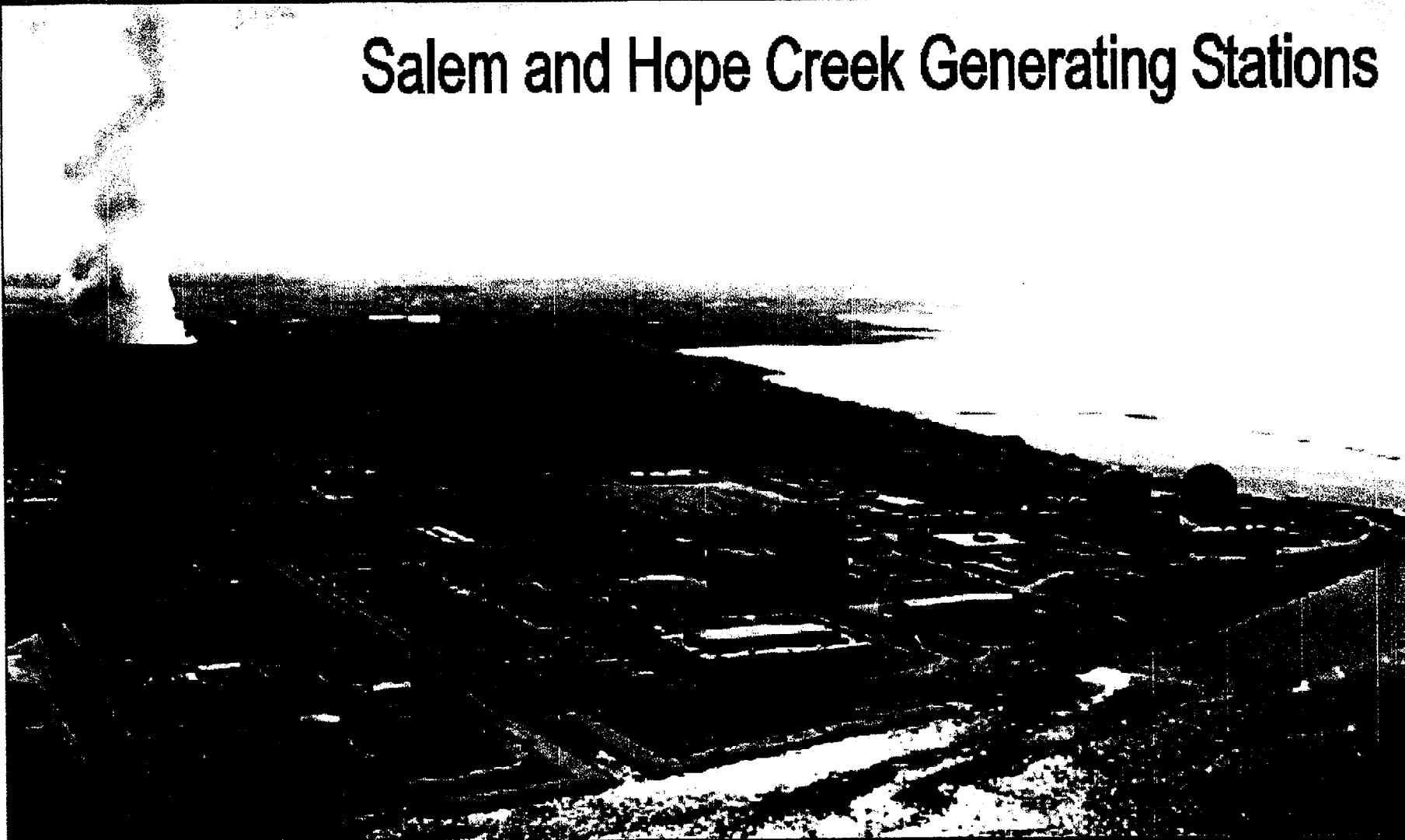


September

SCWE Effectiveness Metrics

SCWE

Salem and Hope Creek Generating Stations




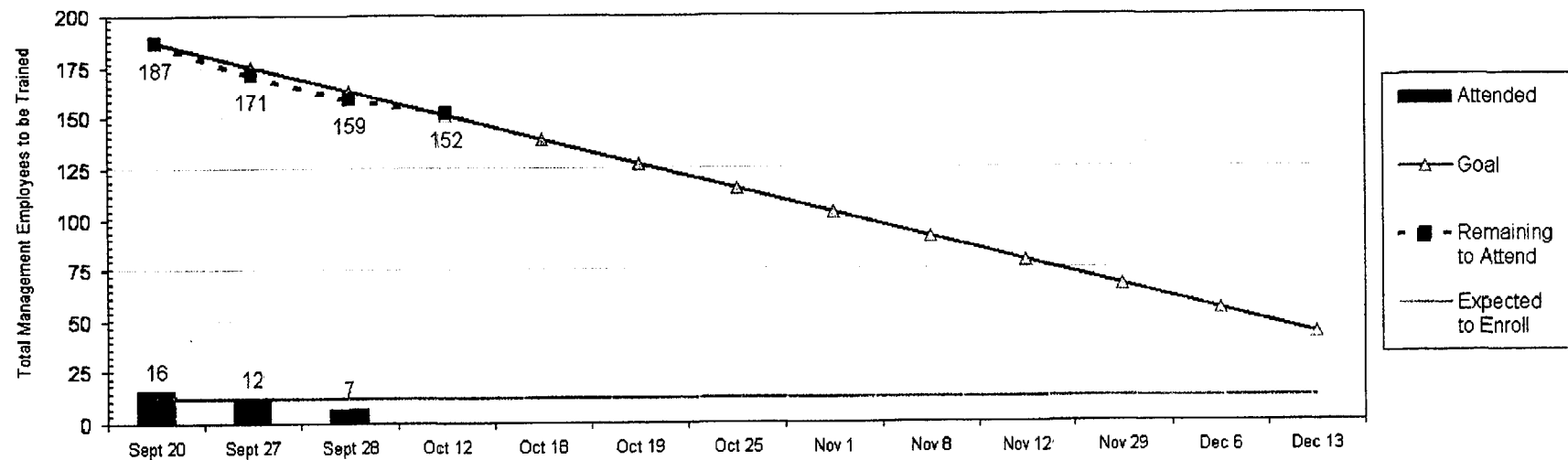
PSEG


We make things prosper.

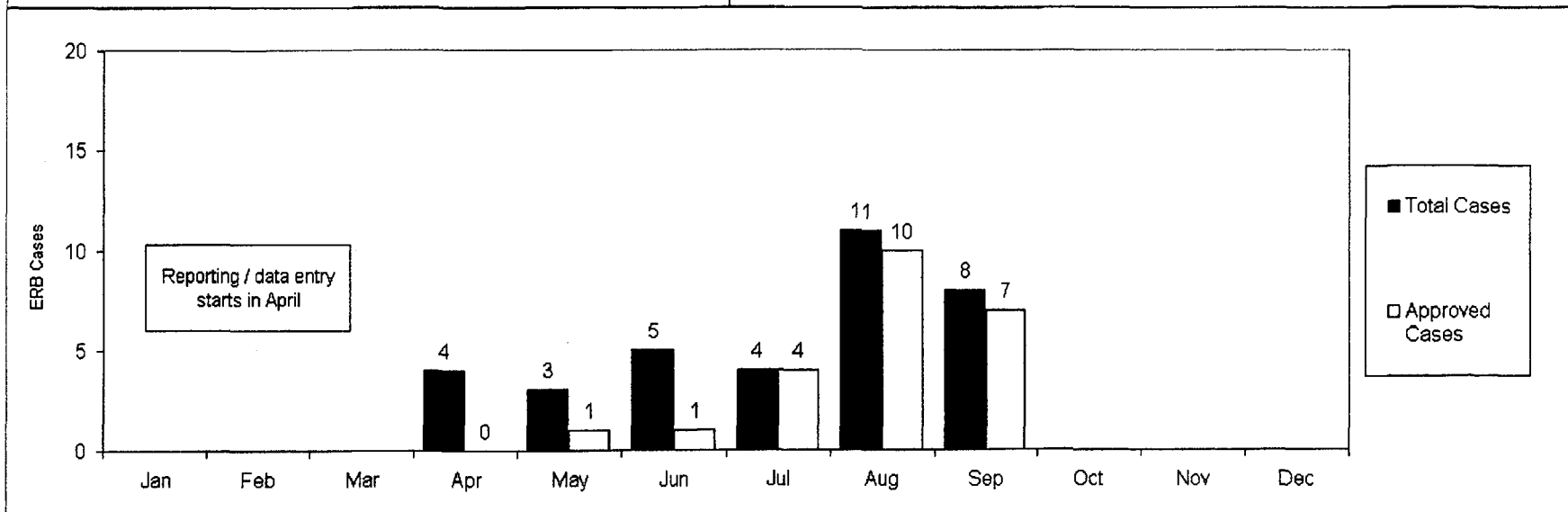
Metrics will be published following the first quarter 2005 Employee Survey for:

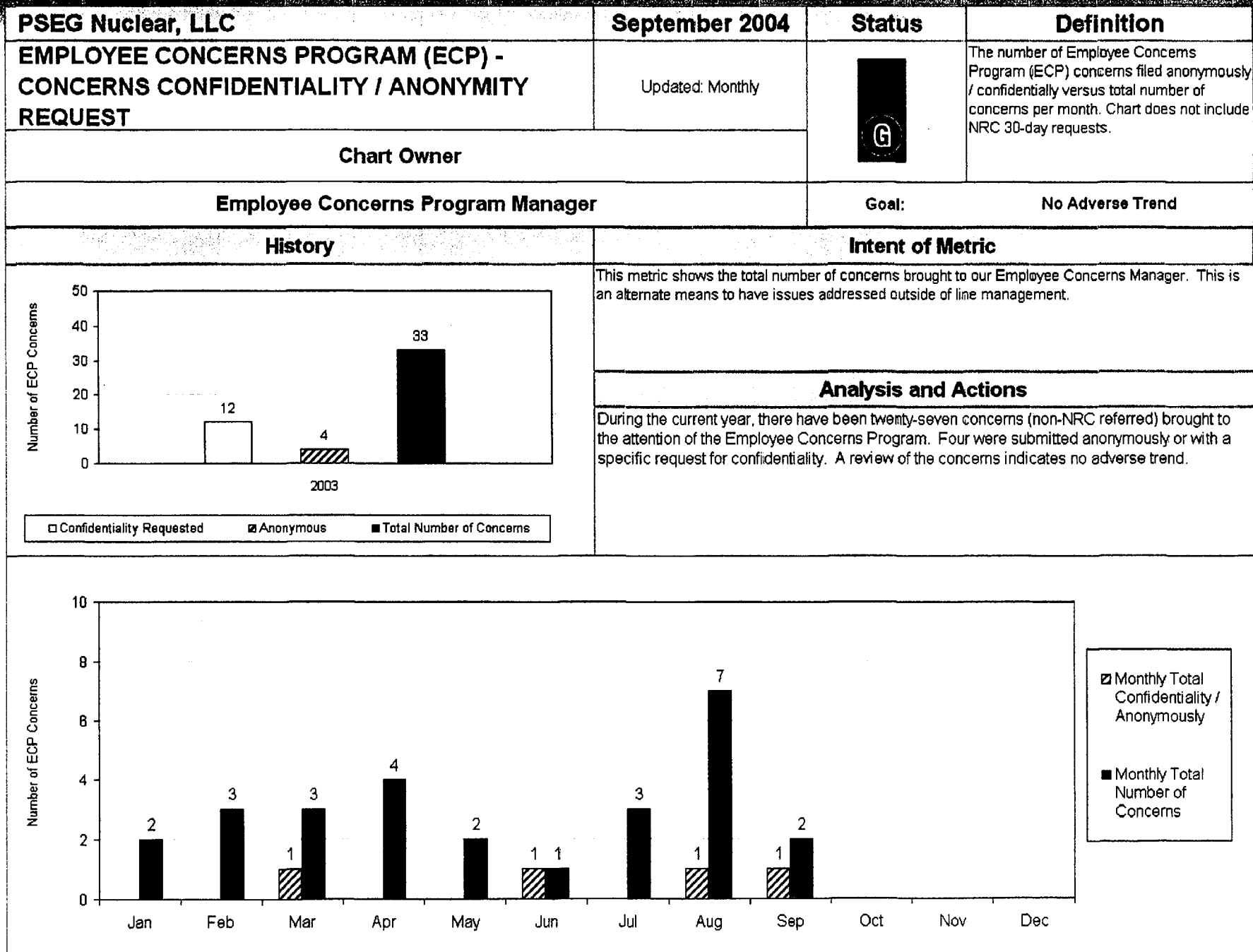
- * KNOWLEDGE OF ALTERNATIVE AVENUES
- * EMPLOYEE PERCEPTION OF MANAGEMENT COMMITMENT
- * SUPERVISOR COMMUNICATION EFFECTIVENESS
- * TRUST AND RESPECT BETWEEN MANAGEMENT & SITE PERSONNEL

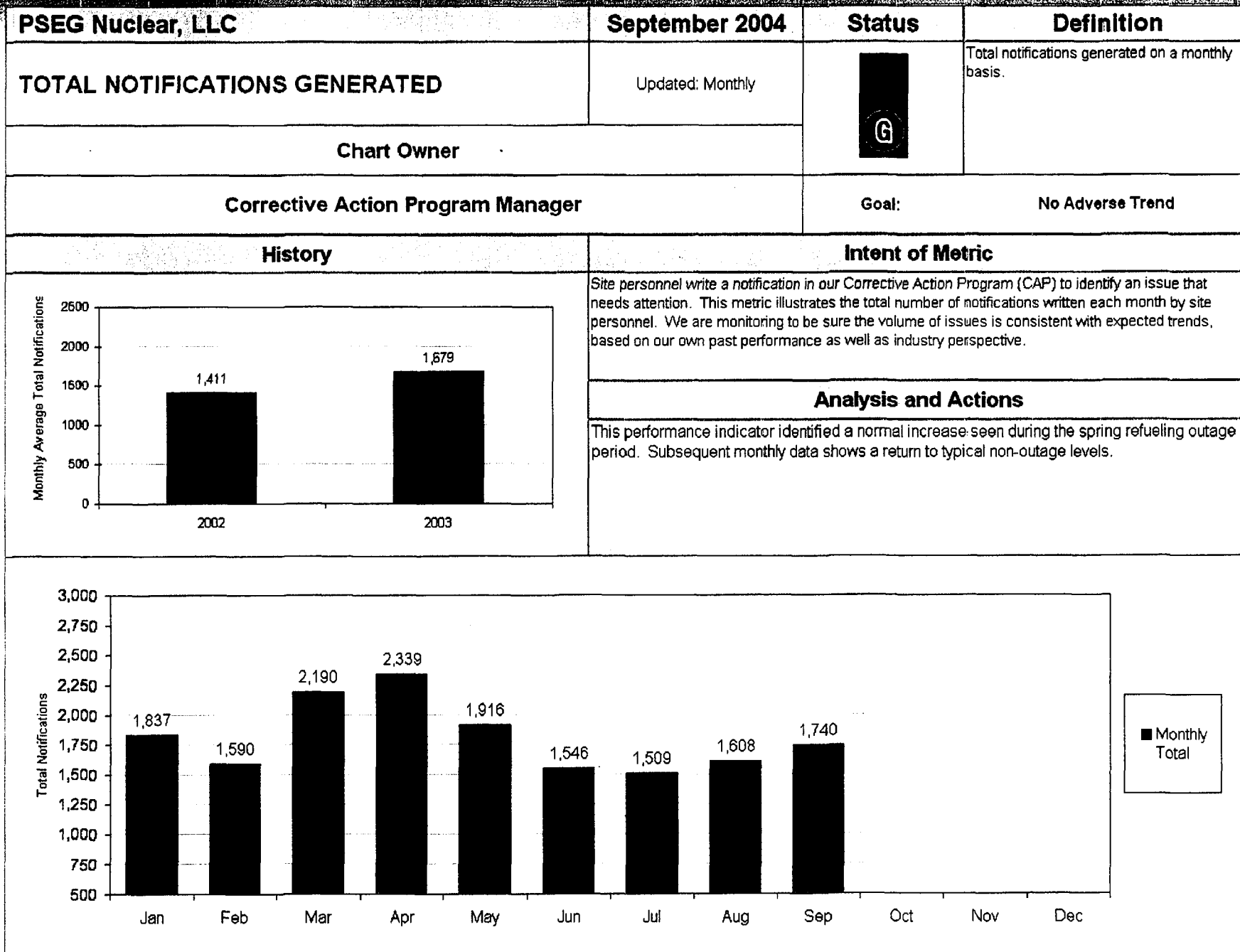
PSEG Nuclear, LLC	September 2004	Status	Definition
SCWE MANAGEMENT TRAINING ATTENDANCE	Updated: Monthly		Attendance for Safety Conscious Work Environment (SCWE) Training - PSEG Nuclear Management.
Chart Owner			
Nuclear Training Manager		Goal:	43 associates by year end
History	Intent of Metric		
New Indicator for 2004	Nuclear provides a significant amount of training on a broad range of subjects. This metric measures the training to enhance management's understanding of key Safety Conscious Work Environment (SCWE) policy attributes and our collective roles and responsibilities for proper implementation. This is a full day of training.		
	Analysis and Actions		
	Safety Conscious Work Environment training for management is scheduled to be completed by the end of January 2005.		




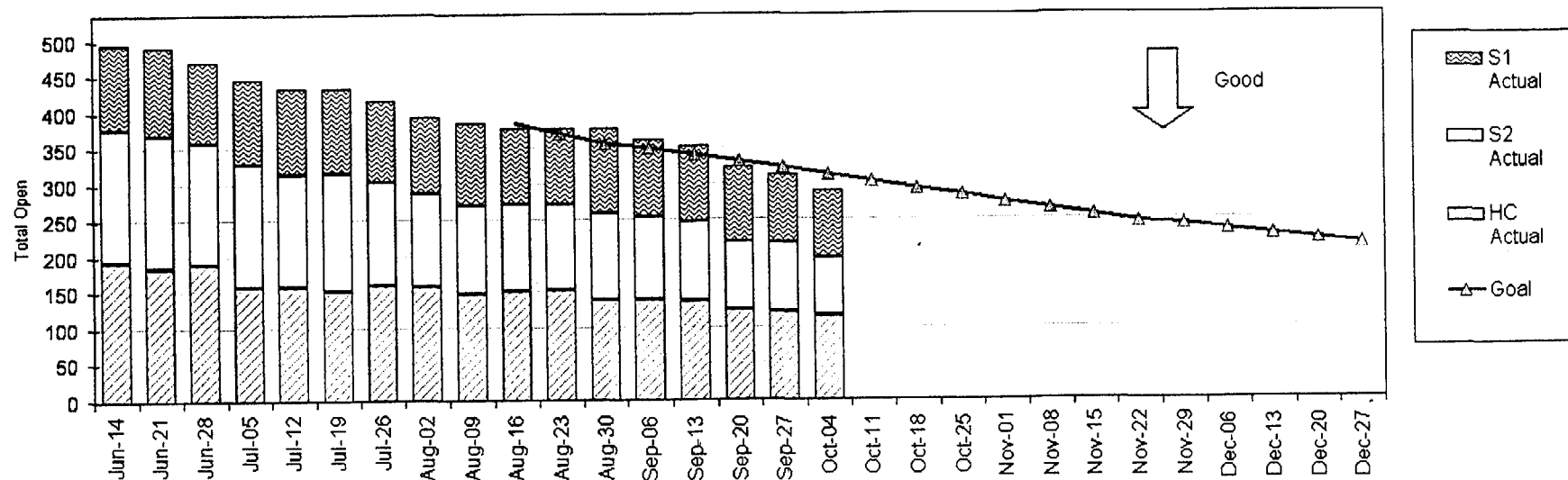
PSEG Nuclear, LLC	September 2004	Status	Definition
EXECUTIVE REVIEW BOARD (ERB) ACTION APPROVALS	Updated: Monthly		Executive Review Board (ERB) reviews proposed personnel actions to ensure no retaliation or chilling effect implications.
Chart Owner			
Safety Conscious Work Environment Manager		Goal:	No Adverse Trend
History	Intent of Metric		
New Indicator for 2004	The Executive Review Board (ERB) was established to ensure that no adverse action is taken or perceived to be taken against site personnel for raising nuclear safety issues. This Board reviews significant proposed discipline, promotions, transfers and terminations for PSEG employees and supplemental (contract) personnel.		
	Analysis and Actions The ERB process was initiated in April, with a follow-up letter sent to all supplemental (contractor) personnel vendors in July. As expected, initial approvals were low, however, the approval rate has significantly improved as management has become more knowledgeable and experienced in the process.		




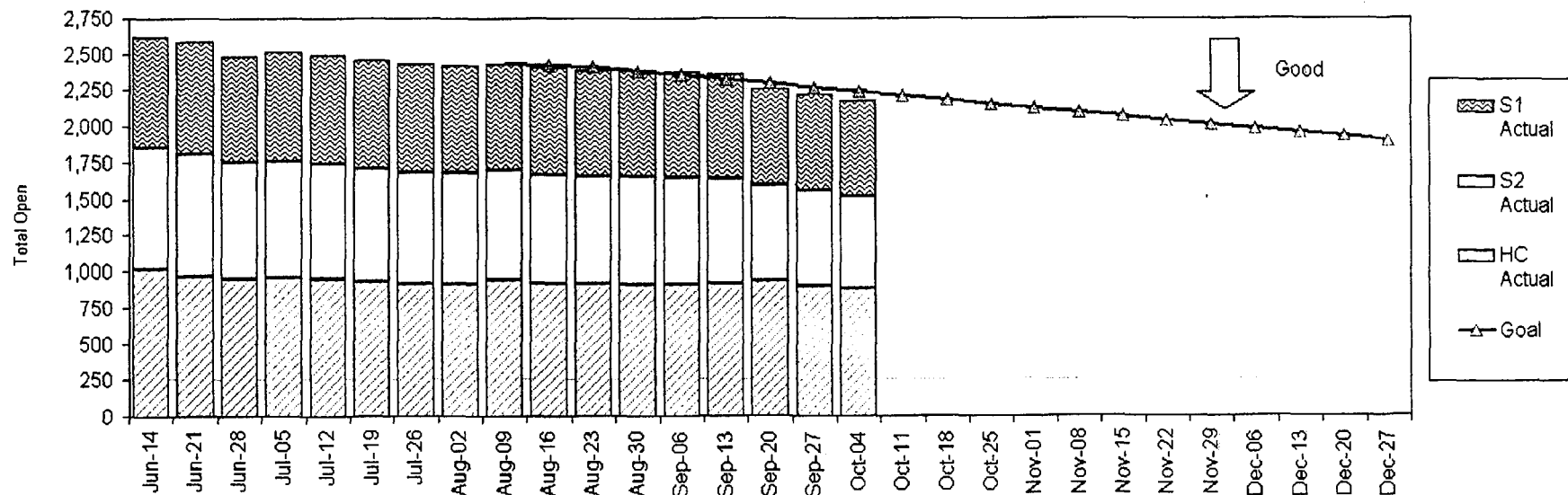





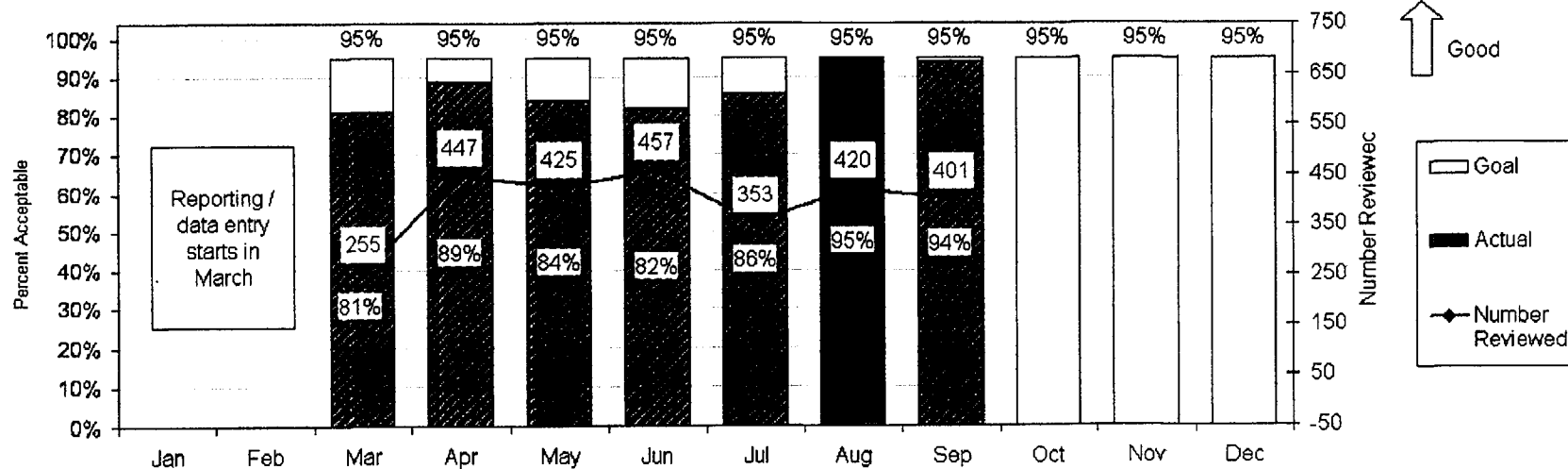
PSEG Nuclear, LLC	September 2004	Status	Definition
ONLINE CORRECTIVE MAINTENANCE BACKLOG	Updated: Monthly		The number of open online corrective maintenance work items.
Chart Owner			
Salem Maintenance Manager and Hope Creek Maintenance Manager		Goal:	215 by year end
History	Intent of Metric		
Historical Data Not Available	This metric measures our total backlog of on-line corrective maintenance. These are items that have an impact on plant operations and can be fixed while the unit is in service. Benchmarking indicates the industry median at 80, with top performance at 45 for our site. Our goal is to achieve top performance by the end of 2005.		
	Analysis and Actions		
	This indicator is on target to meet the year-end goal.		




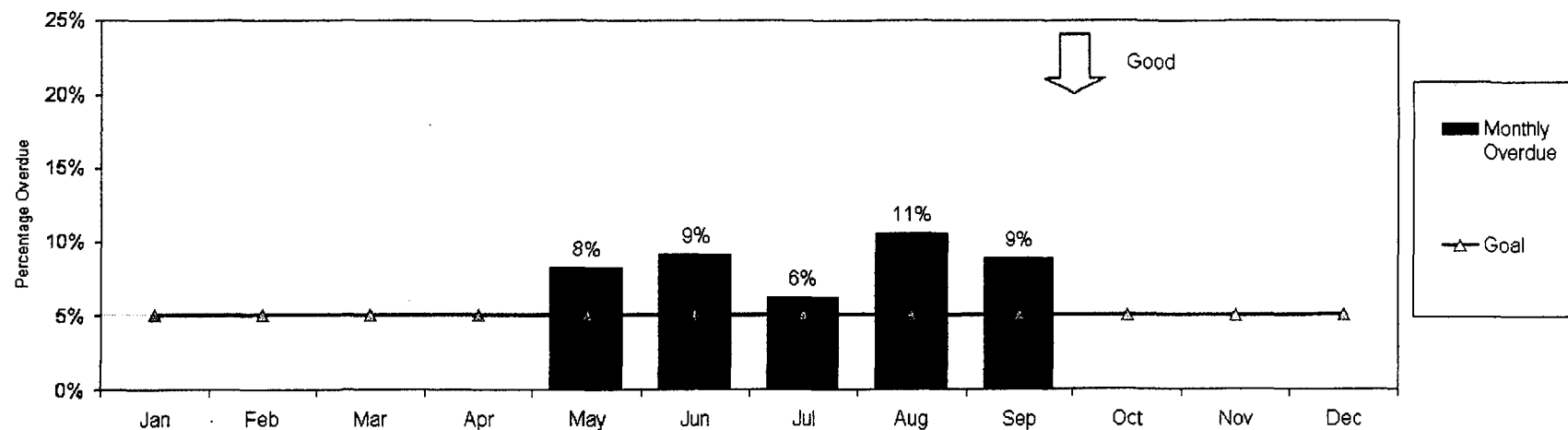
PSEG Nuclear, LLC	September 2004	Status	Definition
ONLINE ELECTIVE MAINTENANCE BACKLOG	Updated: Monthly		The number of open online elective maintenance work items.
Chart Owner			
Salem Maintenance Manager and Hope Creek Maintenance Manager		Goal:	1900 by year end
History	Intent of Metric		
Historical Data Not Available	This metric measures our total backlog of on-line elective maintenance. These are items that do NOT have an impact on plant operations and can be fixed while the unit is in service. Benchmarking indicates the industry median at 1450, with top performance at 1200 for our site. Our goal is to achieve top performance by the end of 2005.		
	Analysis and Actions		
	This indicator is on target to meet the year-end goal.		




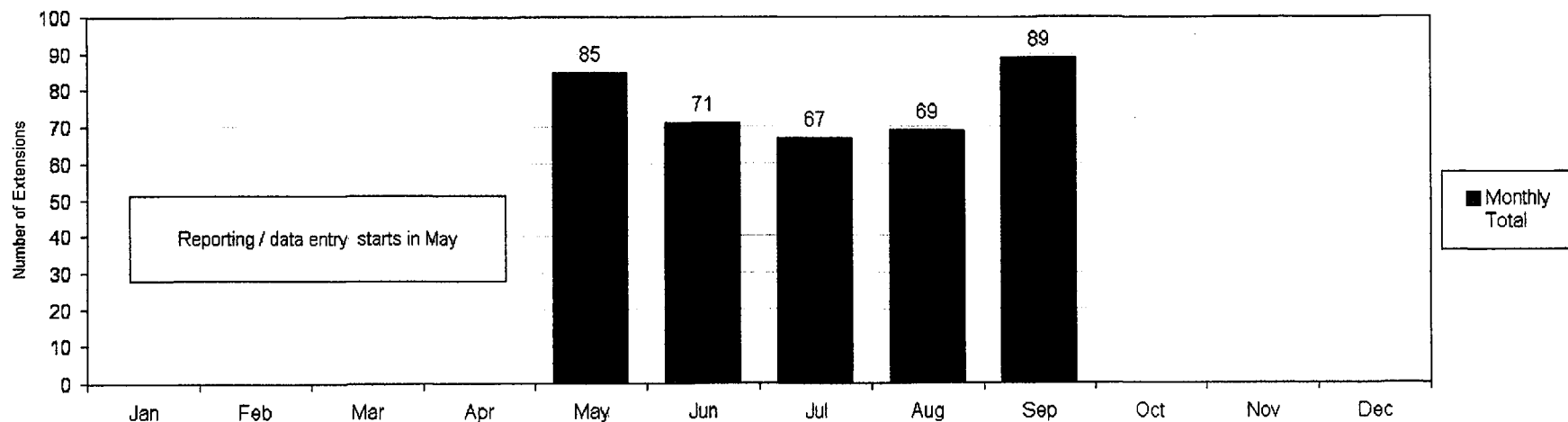
PSEG Nuclear, LLC	September 2004	Status	Definition
CORRECTIVE ACTION PROBLEM RESOLUTION	Updated: Monthly		The percent of corrective action closures determined to be acceptable by Corrective Action Closure Board review, based on the problem resolution criteria. The performance indicator is a monthly value.
Chart Owner			
Corrective Action Program Manager			
		Goal:	95%
History	Intent of Metric		
New Indicator for 2004	Site personnel write a notification in our Corrective Action Program (CAP) to identify an issue that needs attention. This metric tracks the quality of the corrective actions that resulted with a goal of greater than or equal to 95% Closure Board acceptance rate, meaning the correct actions resulted from the notification. Items that are not accepted by the Board are not closed until the issue is reworked and the Board approves.		
	Analysis and Actions		
	Improvement has been achieved in the quality and completeness of corrective action closures. This indicator is trending to achieve the 95% acceptance goal.		




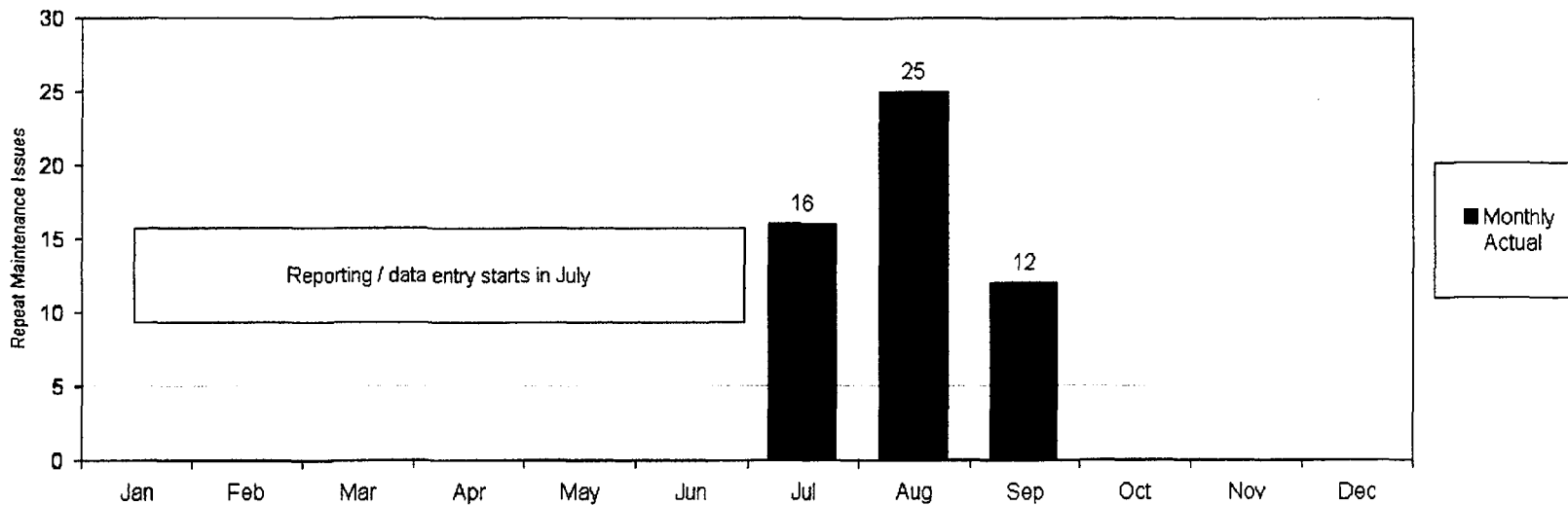
PSEG Nuclear, LLC	September 2004	Status	Definition
NUCLEAR CONDITION REPORT ACTIVITIES OVERDUE	Updated: Monthly		Percentage of Nuclear Condition Report activities overdue on a monthly basis, measured as activities with an actual finish date occurring after the due date.
Chart Owner			
Corrective Action Program Manager			
		Goal:	5%
History	Intent of Metric		
New Indicator for 2004	Site personnel write a notification in our Corrective Action Program (CAP) to identify an issue that needs attention. This metric tracks the timeliness of our review and corrective actions, by measuring the percentage overdue, with a goal of less than or equal to 5%.		
	Analysis and Actions		
	The number of nuclear condition report activities overdue has not improved. This was expected because we chose to concentrate on CAP quality first, which has improved, and we will now begin focusing on CAP timeliness as part of a methodical process improvement strategy.		




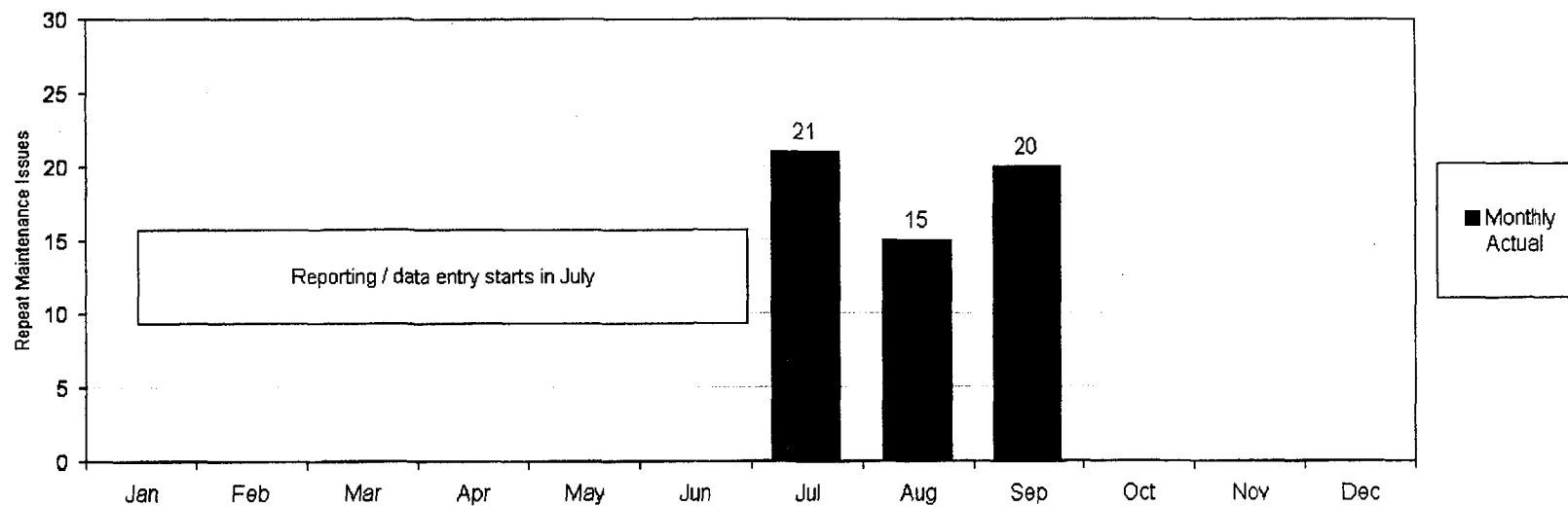
PSEG Nuclear, LLC	September 2004	Status	Definition
OPEN NUCLEAR CONDITION REPORT EVALUATIONS WITH DUE DATE EXTENSIONS	Updated: Monthly		The number of due date extensions approved for open Nuclear Condition Report evaluations.
Chart Owner			
Corrective Action Program Manager		Goal:	No Adverse Trend
History	Intent of Metric		
New Indicator for 2004	Site personnel write a notification in our Corrective Action Program (CAP) to identify an issue that needs attention. This metric looks at the timeliness of our review and corrective actions by tracking the number that have a due date extension, which is allowed by our process. By tracking those that are extended, we expect to see an improvement trend in overall timeliness.		
	Analysis and Actions		
	The trend for this indicator has not improved. This was expected because we chose to concentrate on CAP quality first, which has improved, and we will now begin focusing on CAP timeliness as part of a methodical process improvement strategy.		




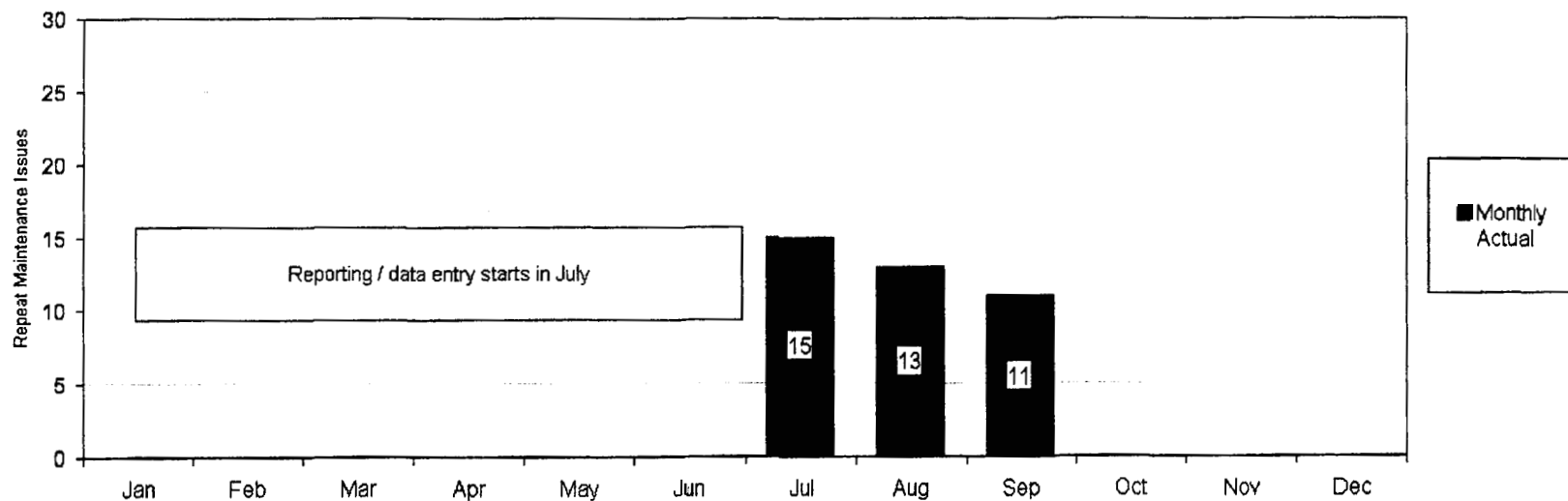
PSEG Nuclear, LLC	September 2004	Status	Definition
SALEM UNIT 1 REPEAT MAINTENANCE ISSUES	Updated: Monthly		The number of repeat maintenance issues identified on safety related equipment.
Chart Owner			
Corrective Action Program Manager		Goal:	No Adverse Trend
History	Intent of Metric		
New Indicator for 2004	This metric monitors the number of issues that were not fixed correctly the first time on safety-related equipment. We track items that have been fixed and need to be reworked within twelve months. This is a new metric to ensure we see a reduction as our corrective action program improves.		
	Analysis and Actions		
	Review of the data for the past quarter does not indicate an adverse trend. Analysis of the specific component challenges reported as repeat maintenance indicates that valve issues are the largest contributor. A review will be performed and corrective actions will be issued if required.		




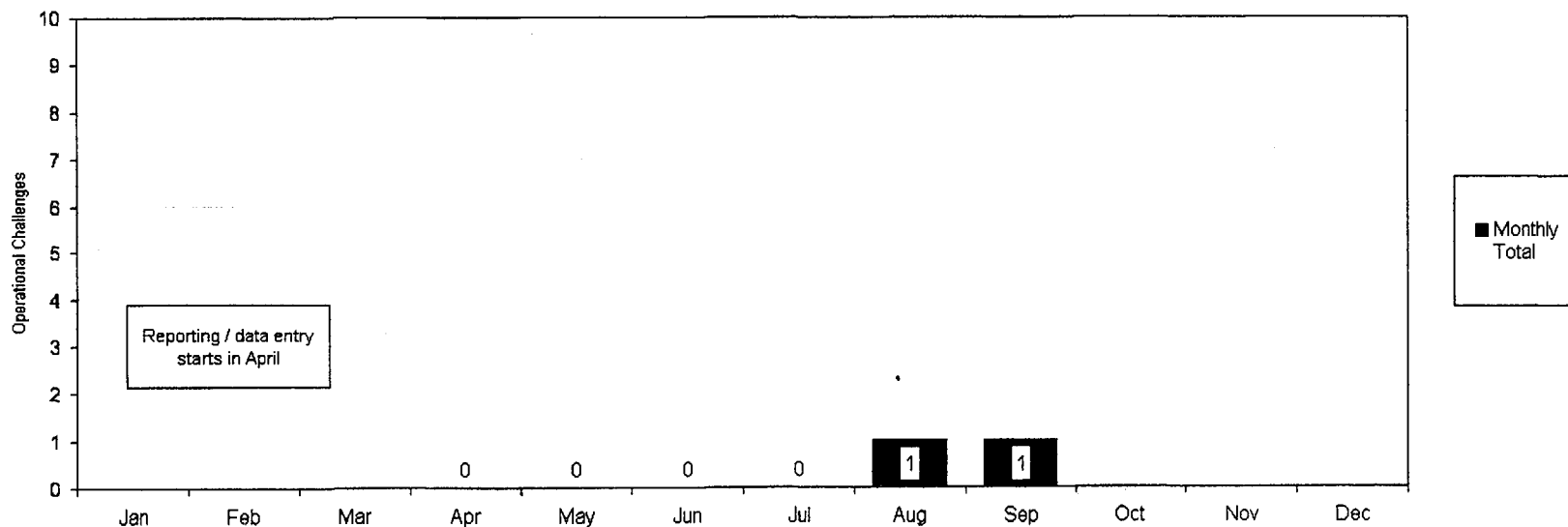
PSEG Nuclear, LLC	September 2004	Status	Definition
SALEM UNIT 2 REPEAT MAINTENANCE ISSUES	Updated: Monthly		The number of repeat maintenance issues identified on safety related equipment.
Chart Owner			
Corrective Action Program Manager		Goal:	No Adverse Trend
History	Intent of Metric		
New Indicator for 2004	This metric monitors the number of issues that were not fixed correctly the first time on safety-related equipment. We track items that have been fixed and need to be reworked within twelve months. This is a new metric to ensure we see a reduction as our corrective action program improves		
	Analysis and Actions		
Review of the data for the past quarter does not indicate an adverse trend. Analysis of the specific component challenges reported as repeat maintenance indicates that valve issues are the largest contributor. A review will be performed and corrective actions will be issued if required.			




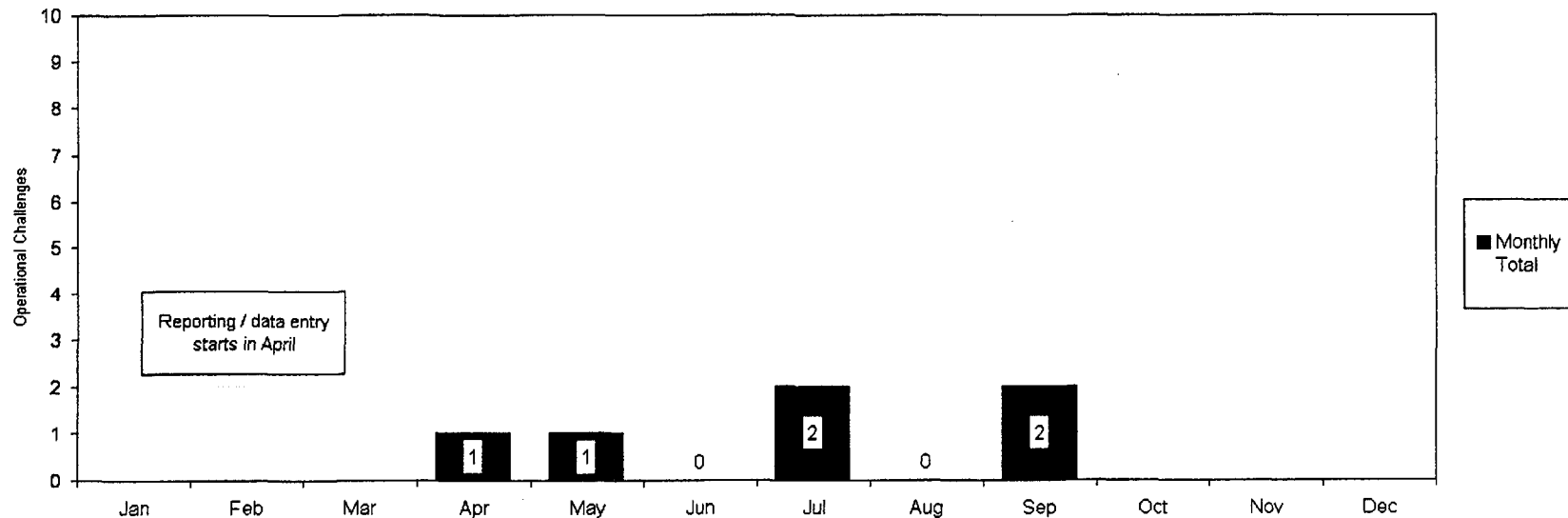
PSEG Nuclear, LLC	September 2004	Status	Definition
HOPE CREEK REPEAT MAINTENANCE ISSUES	Updated: Monthly		The number of repeat maintenance issues identified on safety related equipment.
Chart Owner			
Corrective Action Program Manager		Goal:	No Adverse Trend
History	Intent of Metric		
New Indicator for 2004	This metric monitors the number of issues that were not fixed correctly the first time on safety-related equipment. We track items that have been fixed and need to be reworked within twelve months. This is a new metric to ensure we see a reduction as our corrective action program improves		
	Analysis and Actions		
Review of the data for the past quarter does not indicate an adverse trend. Analysis of the specific component challenges reported as repeat maintenance indicates no specific component trends evident.			



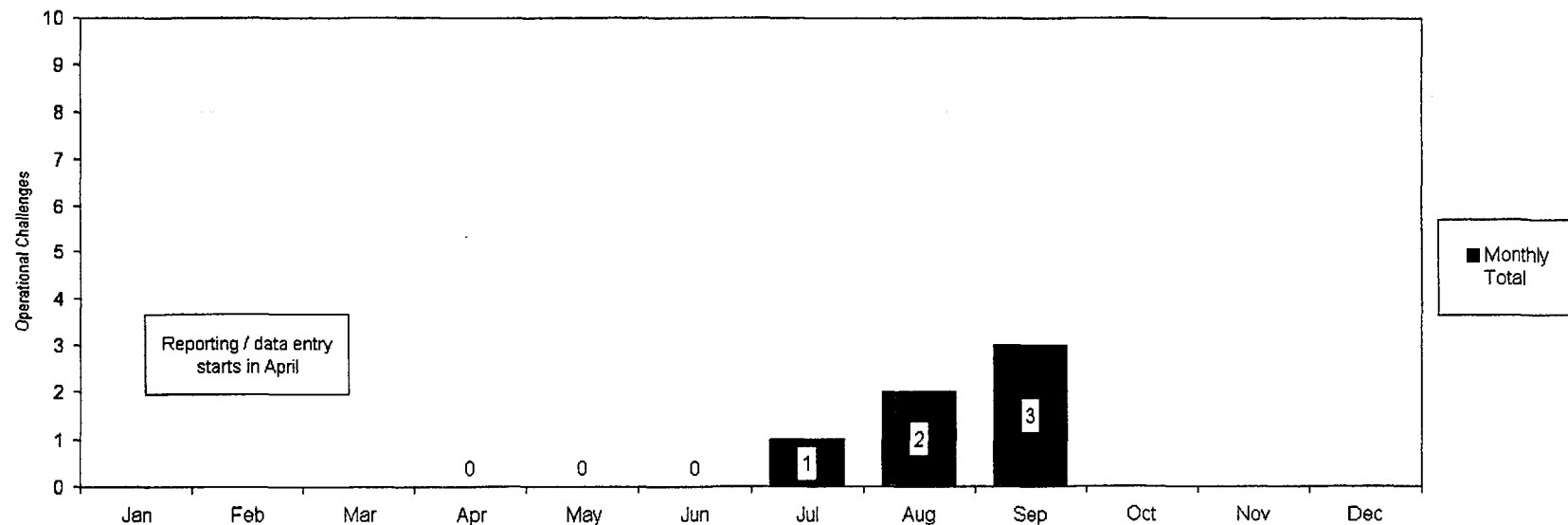
PSEG Nuclear, LLC	September 2004	Status	Definition
SALEM UNIT 1 OPERATIONAL CHALLENGES	Updated: Monthly		The number of plant operational issues that warrant implementation of the Operational Challenges Response Team.
Chart Owner			
Salem Plant Manager		Goal:	No Adverse Trend
History	Intent of Metric		
New Indicator for 2004	We established a procedure to allow our operating crews to request additional assistance to address emergent issues. These are called "Operational Challenges". This metric measures the number of times each month our operators engage this assistance. Our goal is to minimize the challenges to our operating crews. By tracking and reviewing the challenges, we can investigate common causes and potential trends.		
	Analysis and Actions Two operational challenges were experienced year to date. The first involved a challenge to performance of station battery testing within the required frequency. The second challenge was common to both Salem Units 1 and 2 and consisted of reconfiguration of the control room air conditioning system. In both cases the events were reviewed and appropriate corrective actions were taken. No adverse trends were identified.		




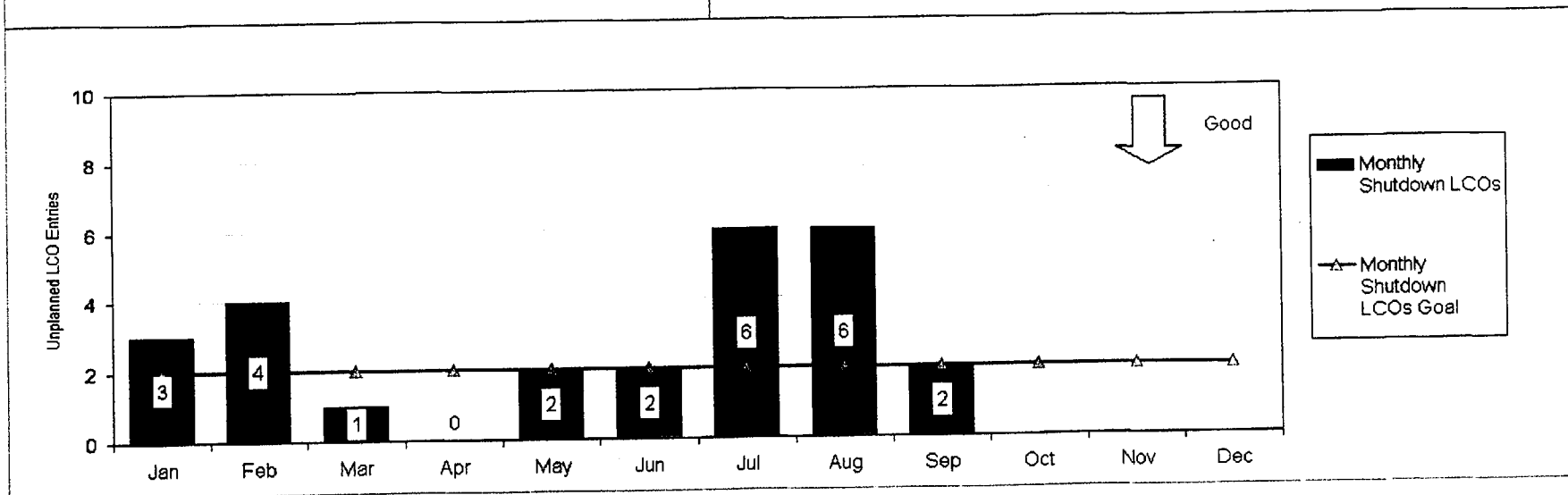
PSEG Nuclear, LLC	September 2004	Status	Definition
SALEM UNIT 2 OPERATIONAL CHALLENGES	Updated: Monthly		The number of plant operational issues that warrant implementation of the Operational Challenges Response Team.
Chart Owner			
Salem Plant Manager		Goal:	No Adverse Trend
History	Intent of Metric		
New Indicator for 2004	We established a procedure to allow our operating crews to request additional assistance to address emergent issues. These are called "Operational Challenges". This metric measures the number of times each month our operators engage this assistance. Our goal is to minimize the challenges to our operating crews. By tracking and reviewing the challenges, we can investigate common causes and potential trends.		
	Analysis and Actions		
	Six operational challenges were experienced year to date. Equipment issues caused four of the challenges and were corrected by repairs and or design improvements. The fifth challenge involved the cleanup of chemical residue. The leak was eliminated and residue removed. The final challenge was common to both Salem Units 1 and 2 and consisted of reconfiguration of the control room air conditioning system. In all cases, the events were reviewed and appropriate corrective actions were taken. No adverse trends were identified.		




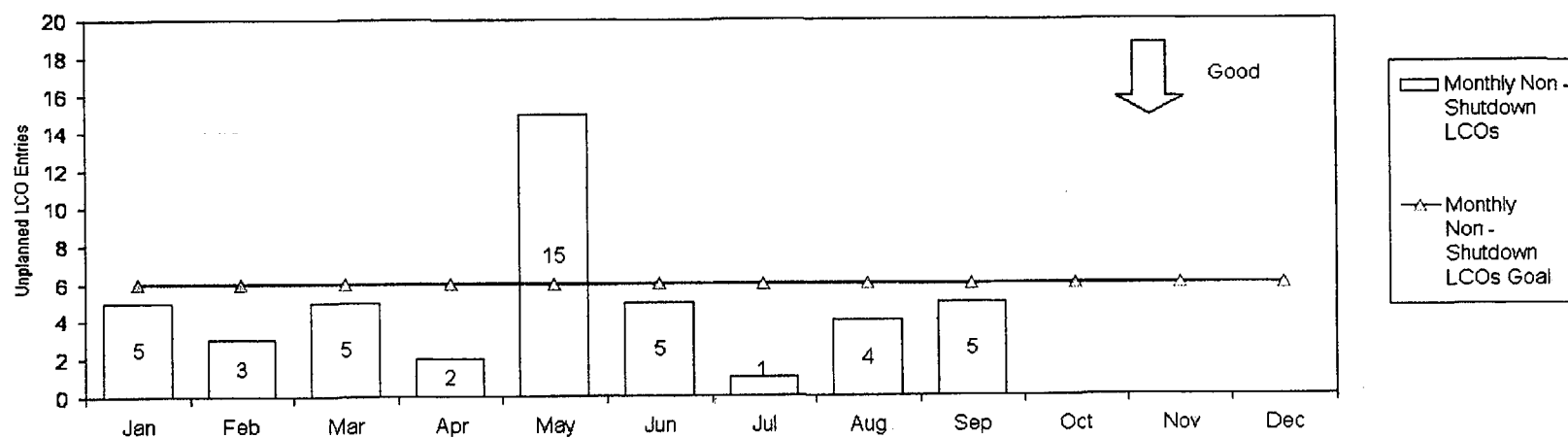
PSEG Nuclear, LLC	September 2004	Status	Definition
HOPE CREEK OPERATIONAL CHALLENGES	Updated: Monthly	R	The number of plant operational issues that warrant implementation of the Operational Challenges Response Team.
Chart Owner			
Hope Creek Plant Manager		Goal:	No Adverse Trend
History	Intent of Metric		
New Indicator for 2004	We established a procedure to allow our operating crews to request additional assistance to address emergent issues. These are called "Operational Challenges". This metric measures the number of times each month our operators engage this assistance. Our goal is to minimize the challenges to our operating crews. By tracking and reviewing the challenges, we can investigate common causes and potential trends.		
	Analysis and Actions		
	Six operational challenges were experienced year to date. Four challenges involved equipment deficiencies that were corrected by replacement or repair. One challenge involved instability of the transmission line, and the remaining challenge was due to diesel maintenance. Although a trend has been established, the events were reviewed and appropriate corrective actions were taken.		




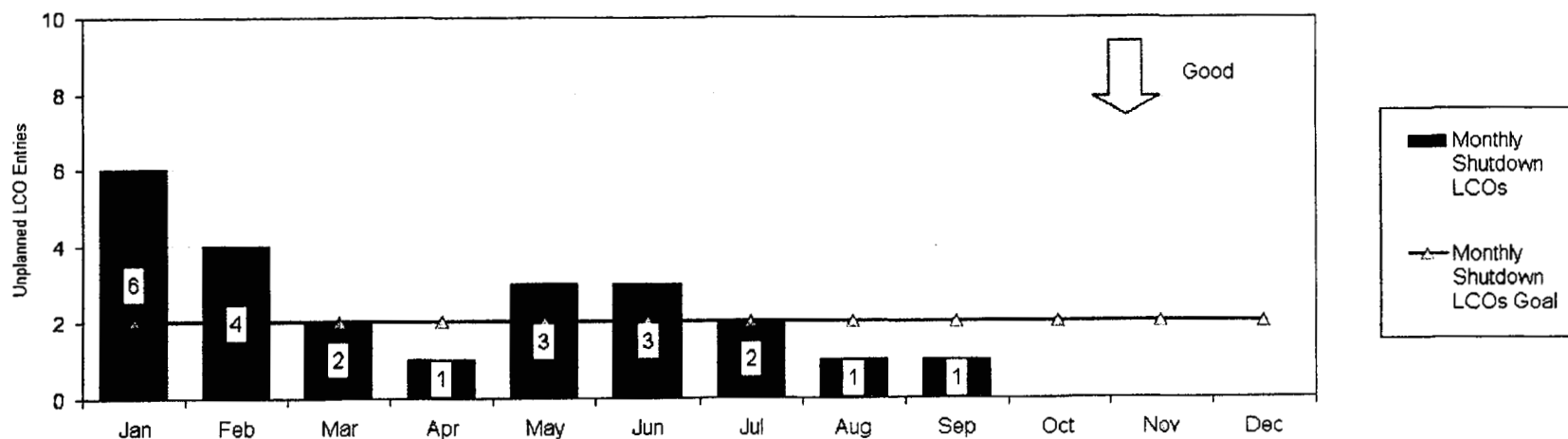
PSEG Nuclear, LLC	September 2004	Status	Definition
SALEM UNIT 1 UNPLANNED SHUTDOWN LIMITING CONDITION OF OPERATION (LCO) ENTRIES	Updated: Monthly		The number of Unplanned Shutdown Technical Specification Limiting Conditions of Operation (LCOs) entered during the month.
Chart Owner			
Salem System Engineering Manager		Goal:	2 per Month
History	Intent of Metric		
Historical Data Not Available	Nuclear plants are operated under a fundamental set of rules from the Nuclear Regulatory Commission (NRC) called Technical Specifications. Certain rules require operators to enter a shutdown LCO, meaning the equipment must be fixed in a defined period of time, or unit shutdown is required. This metric measures the unplanned entries made at Salem Unit 1, compared to the expected number at top performing nuclear units (less than or equal to 2/month).		
	Analysis and Actions		
	During the third quarter, there were fourteen shutdown limiting conditions of operation, including: five caused by issues associated with the containment fan cooling units (CFCUs) (factors that will be eliminated by the CFCU closed-loop cooling project); two associated with batteries; and seven other associated with maintenance.		




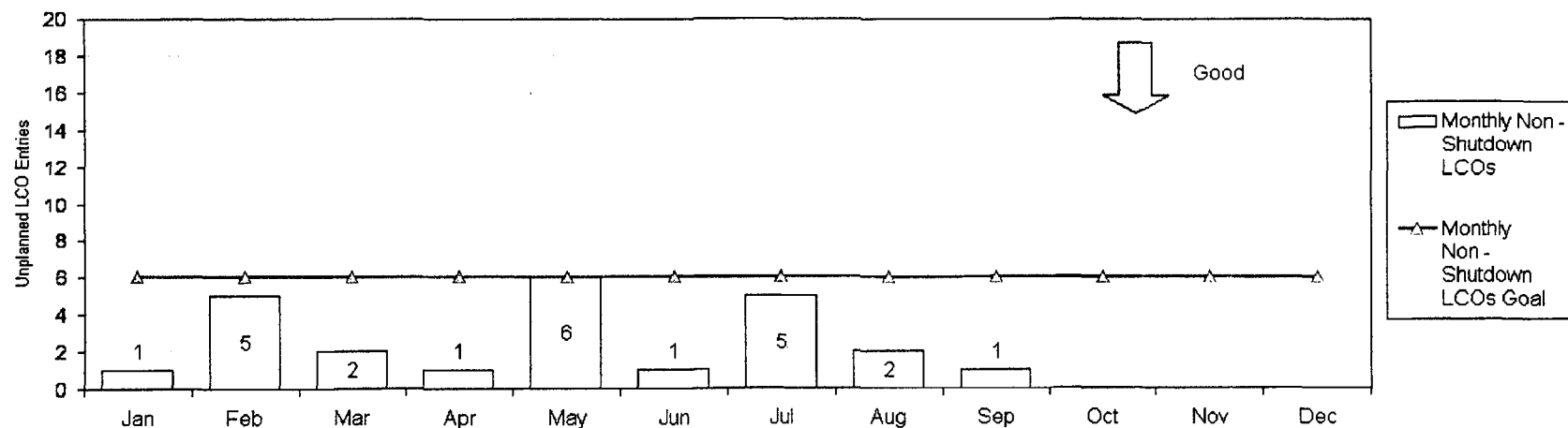
PSEG Nuclear, LLC	September 2004	Status	Definition
SALEM UNIT 1 UNPLANNED NON-SHUTDOWN LIMITING CONDITION OF OPERATION (LCO) ENTRIES	Updated: Monthly		The number of Unplanned Non-Shutdown Technical Specification Limiting Conditions of Operation (LCOs) entered during the month.
Chart Owner			
Salem System Engineering Manager		Goal:	6 per Month
History	Intent of Metric		
Historical Data Not Available	Nuclear plants are operated under a fundamental set of rules from the Nuclear Regulatory Commission (NRC) called Technical Specifications. Certain rules require operators to enter a non-shutdown LCO, meaning the equipment must be fixed in a defined period of time, or unit shutdown is required. This metric measures the unplanned entries made at Salem Unit 1, compared to the expected number at top performing nuclear units (less than or equal to 6/month).		
	Analysis and Actions		
	The unfavorable performance in May was primarily due to monitoring and instrumentation issues. A multi-year capital improvement project is underway to upgrade the monitors. Nuclear instrumentation issues were addressed during the refuel outage.		

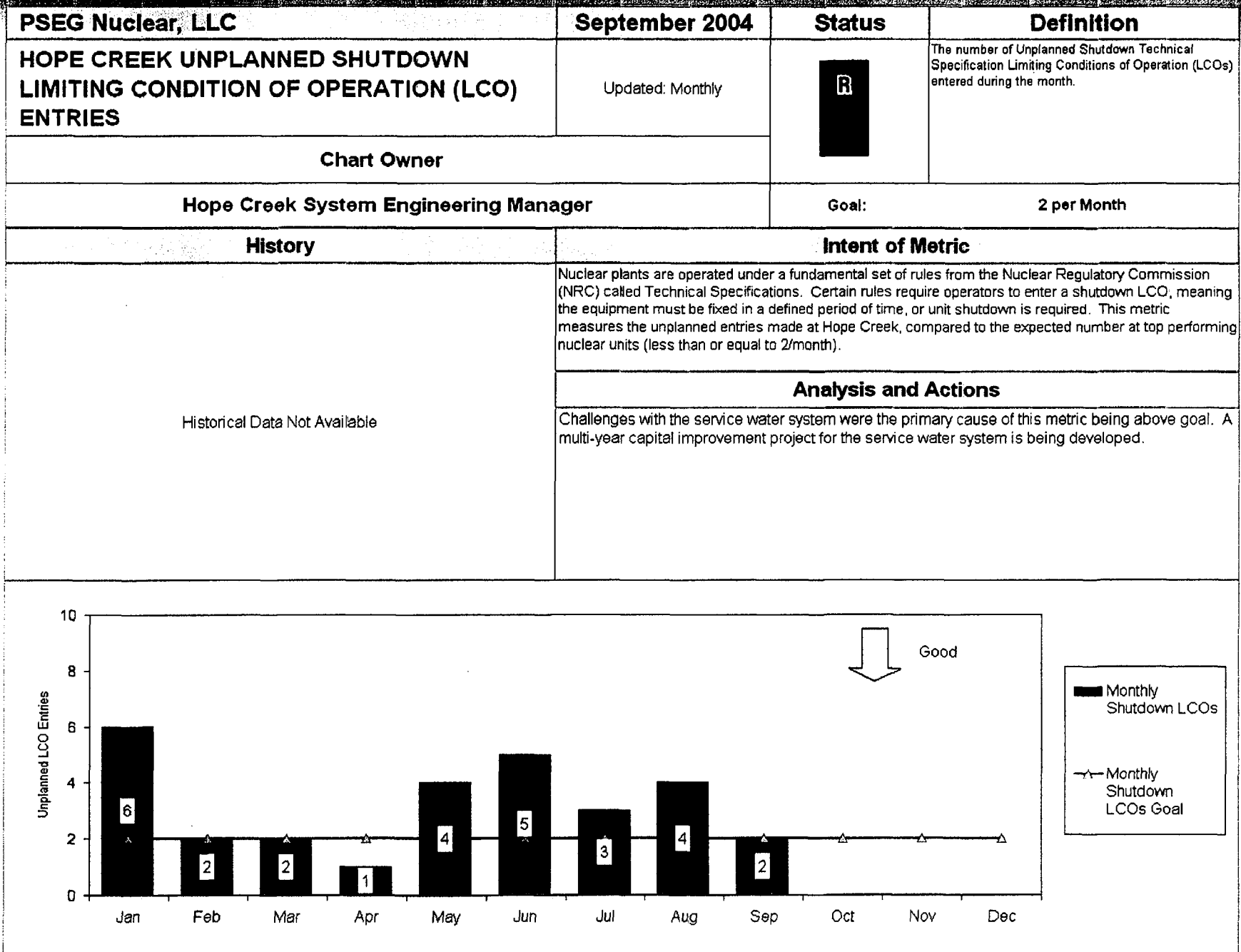



PSEG Nuclear, LLC	September 2004	Status	Definition
SALEM UNIT 2 UNPLANNED SHUTDOWN LIMITING CONDITION OF OPERATION (LCO) ENTRIES	Updated: Monthly		The number of Unplanned Shutdown Technical Specification Limiting Conditions of Operation (LCOs) entered during the month.
Chart Owner			
Salem System Engineering Manager		Goal:	2 per Month
History	Intent of Metric		
Historical Data Not Available	Nuclear plants are operated under a fundamental set of rules from the Nuclear Regulatory Commission (NRC) called Technical Specifications. Certain rules require operators to enter a shutdown LCO, meaning the equipment must be fixed in a defined period of time, or unit shutdown is required. This metric measures the unplanned entries made at Salem Unit 2, compared to the expected number at top performing nuclear units (less than or equal to 2/month).		
	Analysis and Actions		
	Performance outlined in the third quarter has met monthly goals.		



PSEG Nuclear, LLC	September 2004	Status	Definition
SALEM UNIT 2 UNPLANNED NON-SHUTDOWN LIMITING CONDITION OF OPERATION (LCO) ENTRIES	Updated: Monthly		The number of Unplanned Non-Shutdown Technical Specification Limiting Conditions of Operation (LCOs) entered during the month.
Chart Owner			
Salem System Engineering Manager		Goal:	6 per Month
History	Intent of Metric		
Historical Data Not Available	Nuclear plants are operated under a fundamental set of rules from the Nuclear Regulatory Commission (NRC) called Technical Specifications. Certain rules require operators to enter a non-shutdown LCO, meaning the equipment must be fixed in a defined period of time, or unit shutdown is required. This metric measures the unplanned entries made at Salem Unit 2, compared to the expected number at top performing nuclear units (less than or equal to 6/month).		
	Analysis and Actions		
	Unplanned Non-shutdown Entries are meeting the goal.		





PSEG Nuclear, LLC	September 2004	Status	Definition
HOPE CREEK UNPLANNED NON-SHUTDOWN LIMITING CONDITION OF OPERATION (LCO) ENTRIES	Updated: Monthly		The number of Unplanned Non-Shutdown Technical Specification Limiting Conditions of Operation (LCOs) entered during the month.
Chart Owner			
Hope Creek System Engineering Manager		Goal:	6 per Month
History	Intent of Metric		
Historical Data Not Available	Nuclear plants are operated under a fundamental set of rules from the Nuclear Regulatory Commission (NRC) called Technical Specifications. Certain rules require operators to enter a non-shutdown LCO, meaning the equipment must be fixed in a defined period of time, or unit shutdown is required. This metric measures the unplanned entries made at Hope Creek, compared to the expected number at top performing nuclear units (less than or equal to 8/month).		
	Analysis and Actions		
	Unplanned Non-shutdown Entries are meeting the goal.		

